



U.S. DEPARTMENT OF ENERGY
Office of Electricity Delivery and Energy Reliability
Infrastructure Security and Energy Restoration

ENERGY ASSURANCE DAILY

Wednesday Evening, July 21, 2010

Major Developments

Update: Blown-Out Well Remains Shut-in as Well Integrity Test Continues in Gulf of Mexico July 21

The blown-out MC252 well remained shut-in with no oil flowing into the Gulf of Mexico on July 21, BP said on its website. The federal government authorized BP on July 20 to continue the well integrity test for another 24 hours. The testing continued and the sealing cap was still in place, as of latest reports. A tropical wave in the Caribbean, however, threatened to disrupt responders' efforts. Should a major storm reach the blown-out well, on-site operations could stop for 10 to 14 days, according to BP and federal officials. Even with the disruption, however, officials could still decide to leave the cap over the blown-out well for three to four days.

<http://www.bp.com/extendedsectiongenericarticle.do?categoryId=40&contentId=7061813>

<http://app.restorethegulf.gov/go/doc/2931/797575/>

http://blogs.chron.com/newswatchenergy/archives/2010/07/bp_and_feds_eye.html

http://www.nytimes.com/2010/07/22/us/22spill.html?_r=1&hp

Electricity

Storms Knock Out Power to 30,000 KCP&L Customers in Kansas and Missouri July 20

The company had restored power to all but about 4,000 customers by this morning, July 21.

<http://www.kansascity.com/2010/07/21/2097610/kcpl-about-4400-customers-without.html>

http://www.kcpl.com/kcmaps/frameset_menus.htm

FirstEnergy's 1,235 MW Perry Nuclear Unit 1 in Ohio at Full Power by July 21

The Nuclear Regulatory Commission reported that on the morning of July 20 the unit was operating at 79 percent. Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2010/>

AES's 227 MW Huntington Beach Gas-Fired Unit 4 in California Shut by July 20

According to the California Independent System Operator, the unit reported an unplanned outage by July 20.

<http://www.caiso.com/unitstatus/data/unitstatus201007201515.html>

Update: Progress Energy to Restart 838 MW Crystal River Nuclear Power Plant in Florida by End of September

Progress Energy is replacing a cracked section of the containment wall at its 838 MW Crystal River nuclear power plant in Florida, and expects to restart the unit by the end of September 2010, the company said by July 20.

Investigators suspect that the crack was the result of workers adjusting tension cables inside the containment walls, according to a Progress spokeswoman. Operators initially shut the unit to install new generators, and had planned to restart it by December 2009. The company compensated for the lost production by boosting power output at its other coal and gas-based facilities.

<http://www.ocala.com/article/20100720/ARTICLES/7201008/1402/NEWS?Title=Crystal-River-plant-to-be-back-up-by-September>

Pacific Blue Energy Corp Plans 150 MW Solar Farm in Gila Bend, Arizona

<http://www.prnewswire.com/news-releases/pacific-blue-energy-corp-acquires-land-for-second-solar-farm-project-98910249.html>

Shell Evacuating Workers ahead of Tropical Disturbance in Gulf of Mexico July 21

Citing a forecasted tropical disturbance, Shell began evacuating non-essential workers in the Gulf of Mexico on July 21, the company said on its website. A tropical wave was approaching the southeastern Bahamas, as of latest reports. The National Hurricane Center said there was a 50 percent chance the system could develop into a tropical cyclone over the next 48 hours.

http://www.shell.us/home/content/usa/aboutshell/media_center/storm_center/storm_updates/2010/td_22/td22_update1_072110.html

http://www.nhc.noaa.gov/gtwo_atl.shtml

Transformer Trip Leads to Unit Shutdowns at Motiva's 285,000 b/d Port Arthur, Texas Refinery July 20

A transformer trip caused a power failure and forced shut a catalytic reforming unit (CRU) and delayed coking unit (DCU) at Motiva's 285,000 b/d Port Arthur, Texas refinery on July 20, the company said in a filing with state regulators. "Power has been safely restored to units," according to the filing.

<http://www11.tceq.state.tx.us/oce/ee/index.cfm?fuseaction=main.getDetails&target=142570>

<http://english.capital.gr/news.asp?id=1015108>

Update: Shell Shuts Unspecified Unit after Brief Fire at 327,000 b/d Deer Park, Texas Refinery July 20

Shell shut an unspecified unit after a brief fire injured one person at the company's 327,000 b/d Deer Park, Texas refinery on July 20, the company said. The blaze began yesterday morning; it was contained within 15 minutes, according to a company spokesman.

Reuters, 14:49 July 20, 2010

Update: ENSCO International Files Lawsuit in Louisiana against the Latest Government-Imposed Moratorium on Deepwater Drilling

ENSCO International filed a lawsuit in New Orleans, Louisiana on July 20, alleging that the U.S. Department of Interior the Department of Interior "did not analyze the situation anew and with an open mind when deciding to impose the second moratorium."

<http://www.examiner.com/x-48340-New-Orleans-Conservative-Examiner~y2010m7d20-Enesco-Plc-files-complaint-against-Obama-administrations-new-moratorium-in-New-Orleans-Federal-Court>

http://www.rigzone.com/news/article.asp?a_id=96328

Update: Government-Imposed Moratorium on Deepwater Drilling Could Take Economic Toll across Gulf Coast States: Moody's Analytics

The U.S. Gulf Coast region could lose 17,000 jobs and \$1.2 billion in economic growth by the end of 2010 as a result of the Deepwater Horizon oil spill, according to a report from Moody's Analytics. Should the government extend its existing six-month ban on deepwater drilling, the economic toll could rise to \$7.4 billion and the number of lost jobs could surge to more than 100,000, Moody's Analytics said. In a separate study – commissioned by the American Energy Alliance – a professor from Louisiana State University said the moratorium could, over six months, cost the regional economy 8,169 jobs and approximately \$2.1 billion.

<http://www.businessweek.com/news/2010-07-19/gulf-oil-spill-may-cost-17-000-jobs-moody-s-says.html>

http://www.nola.com/news/gulf-oil-spill/index.ssf/2010/07/lsu_economist_says_drilling_mo.html

Citing Regulatory Uncertainty, Petroceltic Seeks to Postpone Well Drilling Obligations Offshore Italy

Petroceltic seeks to postpone its permit to drill the Elsa-2 well offshore Italy, citing the Italian government's proposal to prohibit drilling in the affected area. The company had been expected to begin drilling prior to October 31, 2010.

<http://af.reuters.com/article/energyOilNews/idAFLDE66J0BE20100720>

Natural Gas

Update: Williams and FGT Receive FERC Okay to Connect Existing Natural Gas Pipeline Systems with Planned Gulf LNG Clean Energy Import Terminal in Mississippi

Williams Partners L.P. and Florida Gas Transmission (FGT) received approval from the Federal Energy Regulatory Commission (FERC) to link Transco and FGT's existing natural gas pipeline systems to the planned Gulf LNG Clean Energy import terminal near Pascagoula, Mississippi. The companies expect to install about 15.54 miles of 26-inch pipeline in Alabama and Mississippi. The line would be equipped to deliver about 810,000 Dth/d of natural gas. The companies expect to break ground in April 2011 and begin service in the fall of 2011. The Gulf LNG Clean Energy import terminal is also slated to enter service in the fall of 2011.

<http://www.prnewswire.com/news-releases/williams-partners-lp--florida-gas-transmission-receive-ferc-approval-to-connect-with-gulf-lng-import-terminal-98919609.html>

Other News

Exousia to Resume Deliveries in August 2010 from Recently-Purchased 36 MMGal/Yr. Biodiesel Production Facility in South Carolina

The company purchased the facility from Evergreen Global Investments, Ltd. In January 2010. It had expected to begin production earlier in 2010, but delayed those plans as it awaited "favorable Congressional action on a fuel credit." Though that action had not occurred, the company said market conditions had "created a unique opportunity for the facility to open now."

<http://www.prnewswire.com/news-releases/exousia-announces-its-biodiesel-facility-revving-up-for-business-98918644.html>

Energy Prices

U.S. Oil and Gas Prices			
July 21, 2010			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	76.98	77.47	63.99
NATURAL GAS Henry Hub \$/Million Btu	4.59	4.46	3.49

Source: Reuters

Energy Notes

Storms Cut Power to 12,000 Progress Energy Customers in North Carolina July 20

<http://www.newsobserver.com/2010/07/20/590566/storms-knock-out-power-in-wake.html>

Citing Insufficient Pollution Controls, Pennsylvania and New York Regulators Sue Edison International Subsidiary and Multiple Former Owners of 2,000 MW Coal-Fired Homer City Power Plant in Pennsylvania

<http://www.timesunion.com/AspStories/story.asp?storyID=952556&category=STATE>

Tacoma Power Receives FERC Approval to Operate Cushman Hydroelectric Project in Washington until 2048

http://www.mytpu.org/tacomapower/news.aspx?news_id=168

Exelon Dedicates 10 MW Exelon City Solar Power Plant in Chicago, Illinois July 21

http://www.exeloncorp.com/Newsroom/pr_20100721_Exelon_CitySolarDedication.aspx

Inspection Turns up One New Crack on Steam Dryer at Entergy's Vermont Yankee Nuclear Power Plant in Vermont

<http://www.rutlandherald.com/article/20100719/NEWS02/707199939/1002/NEWS01>

MidAmerican Energy Inadvertently Releases Approximately 75,000 Gallons of an Industrial Byproduct into Missouri River after Equipment Snag at Coal-Fired George Neal Station North in Iowa July 19

<http://www.iowadnr.gov/news/10jul/bypass.html>

http://www.siouxcityjournal.com/news/local/article_32c98a29-457d-5022-8d24-82919b56aece.html

Update: EPA Cites Concerns over State Department's Draft Environmental Impact Statement for TransCanada's Proposed Alberta-to-Gulf of Mexico Keystone XL Oil Pipeline

[http://yosemite.epa.gov/oeca/webeis.nsf/\(PDFView\)/20100126/\\$file/20100126.PDF?OpenElement](http://yosemite.epa.gov/oeca/webeis.nsf/(PDFView)/20100126/$file/20100126.PDF?OpenElement)

<http://green.blogs.nytimes.com/2010/07/21/on-oil-sands-an-agency-clash/>

New York Governor Signs Bill to Reduce Sulfur Content in No. 2 Heating Oil beginning in July 2012

<http://green.blogs.nytimes.com/2010/07/20/new-york-mandates-cleaner-heating-oil/>

Technical Issues Force Shut Kirkuk, Iraq-to-Yumurtalik, Turkey Oil Pipeline July 21 – Line Expected to Restart Later on July 21

Reuters, 07:34 July 21, 2010

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/ead.aspx>

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